

The factual information set forth on the Tracking Charts was submitted to the FLA by each Independent External Monitor and Participating Company and reviewed by FLA staff. It is being made available to the public pursuant to the FLA Charter in order to strengthen the monitoring process. The FLA Charter provides for regular public disclosure of the factual results of independent monitoring and the resulting specific actions taken by Participating Companies.

What is a Tracking Chart?

Compliance is a process, not an event. A Tracking Chart outlines the process involved in FLA independent external monitoring and remediation. It is used by the accredited independent external monitor, the participating company and the FLA staff to do the following:

- **Record Findings:** The independent external monitor uses the Tracking Chart to report noncompliance with FLA Code standards. The monitor should also cite the specific Code benchmark or national/local law that was used to measure compliance.
- **Report on Remediation:** The FLA participating company uses the Tracking Chart to report on the remediation program that was implemented in order to resolve the noncompliance and prevent any future violations.
- **Evaluate Progress:** The FLA uses the Tracking Chart for purposes of collecting and analyzing information on the compliance situation of a particular factory and for publication on our website. This information is updated on an ongoing basis.

What a Tracking Chart is NOT -

- An exhaustive assessment of factory conditions

Working conditions - in any type of workplace - are dynamic. Each Tracking Chart represents a survey of the factory's conditions on a specific day. Over time, a fuller picture emerges as we compile information from various sources to track the compliance progress of a factory.

- A pass or fail evaluation

The Tracking Charts do not certify whether or not factories are in compliance with the FLA Code. Monitoring is a measurement tool. The discovery of noncompliance issues is therefore not an indication that the participating company should withdraw from a factory. Instead, the results of monitoring visits are used to prioritize capacity building activities that will lead to sustainable improvements in the factory's working conditions.

- A one-time event

Each monitoring visit is followed by a remediation program, further monitoring and remediation in an ongoing process. The Tracking Charts are updated accordingly.

Note on Language

Please be advised that because FLA independent external monitors are locally-based and English is generally not their native language, the language presented may at times appear unclear to a reader who is a native English speaker. In order to preserve the integrity of the transparency process and the information we receive, our policy is to publish the original text from the monitor and participating company. However, the reader will note that we have taken the precaution to remove any identifying information about the factory that was monitored or the workers interviewed.

For example, in cases where monitors and/or participating companies have cited the actual number of workers in reference to a noncompliance issue, in order to protect the workers' identities, we have replaced the numbers with generic wording in brackets (i.e. "[some]", "[worker interviews revealed that]",etc.).

We do not disclose the name of the factory that was monitored in order to ensure that the FLA's efforts to encourage and reward transparency do not have detrimental consequences for the factory and the workers.

Instructions for Printing

The information contained in the Tracking Charts is organized by columns and rows in a table format. Due to the number and width of the columns, the charts have been formatted for legal size (8.5 x 14in.) paper. To print the charts, please make sure to select "legal" size paper from Print properties.

FLA Audit Profile	
Country	Bulgaria
Factory name	360011469E
IEM	Balkan Institute for Labour and Social policy
Date(s) in facility	November 28 - 29, 2006
PC(s)	Puma AG
Number of workers	239
Product(s)	Sportswear
Production processes	Design by sample, cutting, embroidering, sorting, sewing, cleaning, quality control, ironing, labelling, packing, expedition

FLA Code/ Compliance Issue	Country Law/Legal Reference	FLA Benchmark	Non-compliance	Risk of Non-compliance	Evidence of Non-compliance (un corroborated)	IEM Findings (If not corroborated, explain why)	Sources/Documentation used for corroborating	Notable Features implemented by Factory Management or Company	PC Remediation plan	Target Completion Date	Remediation		Company follow up (Cite date of follow up)	Documentation	(Status)	Updates (Cite Date of Follow up)		Third-Party Verification		Company Verification Follow up	
											Factory Response (Optional)	Completed, Pending, On-going			Company Follow up	Documentation	External Verification (Date)	Documentation	Company Follow up (Cite date of planned or follow up visit, if appropriate)	Documentation	
1. Code Awareness																					
Worker/management awareness of Code		FLA Principle of Monitoring, Obligation of Companies: Ensure that all Company factories as well as contractors and suppliers inform their employees about the workplace standards orally and through the posting of standards in a prominent place (in the local languages spoken by employees and managers) and undertake other efforts to educate employees about the standards on a regular basis.	Workers and middle management are not acquainted with the Code, they know it is posted, but have not been informed what it is about. Most of them have not read it.				Interviews with managers and workers		The factory should provide training on the PUMA Code of Conduct and its elements to middle management, supervisors and workers.	8/1/2007											
Confidential non-compliance reporting channel		FLA Principle of Monitoring, Obligation of Companies: Develop a secure communications channel, in a manner appropriate to the culture and situation, to enable Company employees and employees of contractors and suppliers to report to the Company on noncompliance with the workplace standards, with security that they shall not be punished or prejudiced for doing so.	There is no channel for confidential communication to be used by the factory employees for reporting non-compliance.				Interviews and visual inspection did not spot any communication channels to Puma.		Contact details of PUMA S.A.F.E. Team are indicated on the new Code of Conduct posters.	8/1/2007											
2. Forced Labor																					
There will not be any use of forced labor, whether in the form of prison labor, indentured labor, bonded labor or otherwise.																					
Employment Records		Employers will maintain sufficient hiring and employment records to demonstrate and verify compliance with this Code provision.						Very well kept documentation.													
3. Child Labor																					
No person will be employed at an age younger than 15 (or 14 where the law of the country of manufacture allows) or younger than the age for completing compulsory education in the country of manufacture where such age is higher than 15.																					
4. Harassment or Abuse																					
Every employee will be treated with respect and dignity. No employee will be subject to any physical, sexual, psychological or verbal harassment or abuse.																					
Physical Abuse		Employers will not use physical discipline, including slaps, pushes or other forms of physical contact (or threats of physical discipline).						There is written policy on prevention of harassment and abuse.													
Gender Sensitive Security		Security practices will be gender-appropriate and non-intrusive.						There is a written policy on women's rights.													
5. Non-discrimination																					
No person will be subject to any discrimination in employment, including hiring, salary, benefits, advancement, discipline, termination or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, or																					
Hiring Discrimination Practices		Employment decisions will be made solely on the basis of education, training, demonstrated skills or abilities. All employment decisions will be subject to this provision. They include: hiring, job assignment, wages, bonuses, allowances, and other forms of compensation, promotion, discipline, assignment of work, termination of employment, provision of retirement.						There is written policy on non-discrimination.													
Sex discrimination		There shall be no differences in compensation and benefits attributable to gender.						There is written policy on women's rights.													
Pregnancy Accommodation	Regulation No 7/1999 on minimum OSH requirements, Regulation No 11/1987 concerning premises for personal hygiene of women and for the rest of pregnant women.	Reasonable accommodation will be made in the event of pregnancy, in a manner that will not unreasonably disadvantage the pregnant woman.	There are no adequate premises for personal hygiene of women and for the rest of pregnant women in the factory.						A designated resting room for pregnant women should be available (could be doctor's room). Toilets provided should be clean and adequately equipped for personal hygiene of women.	8/1/2007		Premise(s) with all required hygiene conditions is isolated.									
6. Health and Safety																					
Employers will provide a safe and healthy working environment to prevent accidents and injury to health arising out of, linked with, or occurring in the course of work or as a result of the operation of employer facilities.																					
Evacuation Procedure	Regulation No 7/1997 on Fire Safety of premises at work.	All applicable legally required or recommended elements of safe evacuation (such as posting of evacuation plans, unblocked aisles/exits, employee education, evacuation procedures, etc.) shall be complied with and workers shall be trained in proper safety, first aid, and evacuation procedures.						A comprehensive Evacuation Plan elaborated and implemented. Regularly performed and documented evacuation drills.													
Machinery Maintenance	Regulation No 7/1999 on minimum OSH requirements.	All production machinery and equipment shall be maintained, properly guarded and operated in a safe manner.	Needle guards on stitch machines missing.						All stitching machines should be fitted with adequate needle guards. Machines should be inspected regularly for completeness of protective equipment. Removal of protective equipment by workers should be prohibited by adequate policies and regular inspections.	8/1/2007											
Worker Participation	Law on OSH, Labour Code, Regulation No 4/ 3.11.1998 concerning training of members of WCC and Groups at enterprises.	Workers should be involved in planning for safety, including through worker safety committees.	The workers' representatives in the Working Conditions Council (WCC) are not elected in accordance with the provisions of the Law on Occ. Safety and Health. The members of the WCC are not trained in accordance with the legal requirements.						Elections of WCC should follow legal provisions. Training should be provided to members of WCC in accordance with the law.	8/1/2007		Working council is elected by employees and we will work for more clarity.									

FLA Code/ Compliance issue	Country Law/Legal Reference	FLA Benchmark	IEM Findings					Sources/Documentation used for corroborating	Notable Features implemented by Factory Management or Company	Remediation				[Status] Completed: On-going	Updates (Cite Date of Follow up)		Third-Party Verification		Company Verification Follow-up																			
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7. Freedom of Association and Collective Bargaining																																						
Employers will recognize and respect the right of employees to freedom of association and collective bargaining.																																						
Compliance to local collective bargaining laws		Employers will comply with all national and local laws and regulations concerning collective bargaining and free association. Where conflicts are known to exist, employers will use the standard that provides the greatest protection for workers.							Management is aware of the Sectoral Collective Bargaining Agreement and follows with its clauses.																													
8. Wages and Benefits																																						
Employers recognize that wages are essential to meeting employees' basic needs. Employers will pay employees, as a base, at least the minimum wage required by local law or the prevailing industry wage, whichever is higher, and will provide legally mandated																																						
Wage Benefits Awareness		Employers will communicate orally and in writing to all employees in the language of the worker the wages, incentive systems, benefits and bonuses to which all workers are entitled in that company and under the applicable law.							There is a written material on the incentive system posted in the factory.																													
Voluntary Use of Benefits		All workers have a right to use or not to use employer provided services, such as housing or meals.							There are free benefits like transportation, food allowances, free mineral water, etc.																													
Time-recording system		Time worked by all employees, regardless of compensation system, will be documented by time cards or other accurate and reliable recording systems such as electronic swipe cards.	There is no working hours register.						All time in and out should be registered for each worker every day. Complete time records must be available for a period of at least one year.	8/1/2007	There is already a system which records the workday of each worker individually																											
Payment of wages		Legally mandated bonuses (e.g. 13th month payments and severance payments will be paid in full and in a timely manner.							Very well kept documentation.																													
Payment of Legal Benefits		Legally mandated benefits will be provided or paid in full within legally defined time periods.	The social insurance contribution is paid on the basis of minimum wage or minimum occupational social insurance contribution.						Computation of social insurance contribution must follow the legal requirements.	Dec 07																												
9. Hours of Work																																						
Except in extraordinary business circumstances, employees will (i) not be required to work more than the lesser of (a) 48 hours per week and 12 hours overtime or (b) the limits on regular and overtime hours allowed by the law of the country of manufacture or, where the laws of such country will not limit the hours of work, the regular work week in such country plus 12 hours overtime; and (ii) be entitled to at least one day off in every seven day period.																																						
Reduce Mandated OT		The employer will demonstrate a commitment to reduce mandated overtime and to enact a voluntary overtime system to meet unforeseen situations.							A very good planning system is in place which lead to practically no OT during the last 12 months.																													
10. Overtime Compensation																																						
In addition to their compensation for regular hours of work, employees will be compensated for overtime hours at such premium rate as is legally required in the country of manufacture or, in those countries where such laws will not exist, at a rate at least equal to their regular hourly compensation rate.																																						
Miscellaneous																																						